

REPORT

TRIDEPARTMENT REVIEW COMMITTEE

FOR

PETROLEUM INDUSTRY SPILLS IN MANITOBA

TERRESTRIAL STANDARDS AND STUDIES 83-5

REPORT

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PETROLEUM INDUSTRY SPILLS IN MANITOBA

MEMBERS:

R. Dubreuil - Energy & Mines
J. Ewanek - Agriculture
D. Wotton - Environment

RECOMMENDATIONS

- (1) The Petroleum Industry should be encouraged and where necessary, regulated to support continued review and upgrading of its production facilities.
- (2) As the occurrence of spills are a reality of the industry's operations, provisions for reclamation and compensation should be supported in proposed legislation. (Surface Rights Act or Mines Act).
- (3) In the event of a spill occurrence, continued liaison for spill assessment and remedial action is recommended at the regional field staff level of the departments involved. (Energy and Mines, Agriculture, Environment).
- (4) It is recommended that communication and information exchange between operators, landowners and the agricultural community in general, be increased and an information package be developed to provide the agricultural community with an overview of the problem of spills associated with the petroleum industry.
- (5) It is recommended that a standing committee composed of members from the departments of Energy and Mines, Agriculture and Environment be formed to review past and current reclamation practices and to evaluate and determine on a periodic basis which management practices should be recommended for future reclamation of spill sites.

(1)

The Tridepartment Review Committee met on August 4, 1982 to initiate its review of Petroleum Industry spills in Manitoba. At this time, it was agreed that the existing spill response mechanism with the Petroleum Branch as lead agency, was a suitable system.

The committee directed its attention toward a review of land use in the industry, in particular rehabilitation programs and soil sampling procedures. To provide the committee with a full understanding of the petroleum industry's current operations and practices, a field tour was arranged for October 18 and 19, 1982.

The committee travelled from Winnipeg to Melita on October 18 where they joined with Petroleum Inspector, K. Lowden and later, B. Dunning as well as the Agricultural Representative for Virden area, J. Corbey. Together the party toured relevant field operations in the Waskada and Virden areas. These included such industry operations as drilling rigs, well sites, battery sites, water injection plants, and a flow line construction site.

At this time, a variety of spill sites were also visited. These included both old and new sites from battery operations, well operations and pipeline breaks. Spill site reclamation projects were also viewed at the Daly Field where the "Cromer Spill" occurred

(2)

and at the Maples Field where the Petroleum Branch conducted a project in 1982.

As the field tour progressed, the committee was provided with detailed information on the industry's operations, practices and relevant regulations by the Petroleum Branch staff. Spill response practices, soil sampling procedures and reclamation received particular emphasis.

In addition, the committee members were introduced to the management staff of the largest petroleum companies in each of the areas: Omega Hydrocarbons Limited in Waskada, and Chevron Standard Limited in Virden. Petroleum operators are required to conduct reclamation of new spill sites at the request of the Petroleum Branch. Chevron is the only company conducting reclamation of old sites and their representatives were particularly co-operative in providing full details of their past and present reclamation program.

Further to these activities, the committee as observers, attended a public meeting of the Manitoba Surface Rights Association in the Waskada Legion Hall on the evening of October 18, 1982. This provided an opportunity to hear first hand the concerns of the association and of the landowners in dealing with the petroleum industry.

SUMMARY

In summary, the committee recognized through the review activities that the most severe production problem of the petroleum industry in Manitoba is salt water spills. Salt water produced in conjunction with oil is a characteristic of the Manitoba industry. There are three major causes of spill occurrences which are; corrosion of materials, mechanical failure of equipment, and human error.

The majority of current spill sites receive treatment at the expense of the companies involved and as prescribed by the Petroleum Inspectors. In general, sites which have not been treated are from old spills and in many cases were caused by companies which are no longer in operation. The majority of lease agreements have provision for reclamation and restoration which is usually agreed upon by the operator and landowner. However, the Mines Act does provide arbitration through the Mining Board if a voluntary agreement cannot be reached between the landowner and the operator. In the past, this arbitration board has not been commonly used.

The committee recognizes that by nature of the industry, spill occurrences are unique to each situation. For this reason, spill response activities such as soil sampling cannot be standardized. In general,

response activities must be tailored to the particular situation at hand. The Petroleum Inspectors of the Department of Energy and Mines are responding to each spill situation with recommendations for remedial action. The committee does recognize that the current high rate of activity in the oil fields area has placed a strain on the resources of the Virden office.

POOR

QUALITY

ORIGINAL

